

Internal Revenue Service

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Department of the Treasury
Washington, DC 20224

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Date:
November 01, 2007

Taxpayer =

Entity N =

Country N =

Dear :

This letter supplements letter ruling PLR-148632-03 issued to the Taxpayer on September 28, 2006, that was supplemented by letter ruling PLR-152568-06 dated March 27, 2007. Taxpayer submitted additional information on June 18, 2007, relating to the filings at issue in that ruling request.

In view of this additional information and representations, the previous letter ruling is amended as follows:

1. The legend of the ruling letter is amended by adding Entity N.
2. The legend of the ruling letter is amended by adding Country N.

3. Entity N incurred a dual consolidated loss in Tax Year Z. Entity N was omitted from paragraph 4 of the letter ruling and from Schedule A, which was attached to and made part of the letter ruling, and, therefore, paragraph 4 of the letter ruling and Schedule A are amended to include Entity N for Tax Year Z.

Item 4 below is a paragraph added to the facts of the letter ruling, following the sixth paragraph (as added by the first supplemental letter):

4. Entity N is disregarded as an entity separate from the Taxpayer and is a hybrid entity separate unit as described in Treas. Reg. § 1.1503-2(c)(4). Entity N conducts integral business operations outside the United States in Country N. Thus, this business activity constitutes a foreign branch within the meaning of Treas. Reg. § 1.367(a)-6T(g) and is hereinafter referred to as Foreign Branch N. Foreign Branch N is a separate unit described in Treas. Reg. § 1.1503-2(c)(3)(i)(A). This foreign branch separate unit incurred a dual consolidated loss in the tax year indicated on Schedule A that was attached to the letter ruling. However, the election and agreement required by Treas. Reg. § 1.1503-2(g)(2)(i) with respect to this dual consolidated loss was not filed with the consolidated U.S. income tax return for Tax Year Z.

Because the amendments made to the previous ruling letter by this supplemental ruling letter, Taxpayer is granted an extension of time of 45 days from the date of this supplemental ruling letter to file the election and agreement described in Treas. Reg. § 1.1503-2(g)(2)(i) in accordance with Schedule A attached to the letter ruling, including the election and agreement with respect to Entity N for Tax Year Z.

Pursuant to Treas. Reg. § 1.1503-2(g)(2)(vi)(C), Taxpayer is not required to file annual certifications under Treas. Reg. § 1.1503-2(g)(2)(vi)(B) with respect to the dual consolidated losses of Foreign Branch N, because this foreign branch is a separate unit described in Treas. Reg. § 1.1503-2(c)(3)(i)(A). As a result, an extension of time under Treas. Reg. § 301.9901-3 to file annual certifications is inapplicable in this situation.

Sincerely,

Associate Chief Counsel (International)

By:
Thomas Beem
Senior Technical Reviewer, CC:INTL;BR4
Office of the Associate Chief Counsel (International)

Enclosure:
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